

EMPLOYMENT AGREEMENT BETWEEN

EMPLOYEE

AND

NORWICH PUBLIC UTILITIES

INTRODUCTION

This agreement is made and entered into on this 1st day of July, 2019, the date and time of its execution notwithstanding, by and between the **NORWICH PUBLIC UTILITIES**, a municipal utility corporation, acting herein through its Board of Commissioners, duly authorized, ("NPU") and **CHRISTOPHER LAROSE**, ("EMPLOYEE"), an individual who has education, training and experience in local utilities management and engineering. By executing this Agreement, NPU does hereby employ EMPLOYEE and EMPLOYEE hereby consents to employment by NPU, in the capacity of the General Manager of NPU pursuant and subject to the following terms and conditions.

SECTION 1: COMMENCEMENT OF SERVICES

EMPLOYEE's services pursuant to this Agreement shall commence on July 1, 2019 ("Commencement Date") and his employment shall continue indefinitely from the Commencement Date, up to and including December 31, 2022, ("Initial Term") and shall automatically renew for an additional one year term each January 1 thereafter ("Additional Term"), unless and until terminated in accordance with Section 9. As of the Commencement Date, EMPLOYEE agrees neither to accept employment nor to become employed by any other employer until this Agreement has terminated, without the prior consent of the Board of Commissioners.

SECTION 2: DUTIES AND AUTHORITY

NPU agrees to employ EMPLOYEE as General Manager of Norwich Public Utilities and Sewer Authority as directed by the NPU to perform the functions and duties specified in the Charter of the City of Norwich, and, Chapter XII therein, as the same may from time to time be amended (the "Charter") and by applicable municipal Ordinances, Resolutions, By-Laws and Codes from time to time in effect ("Municipal Laws"), and by such laws of the State of Connecticut as are applicable to the NPU and the position of its General Manager ("State Law"), and to perform other legally permissible and proper duties and functions, as more fully described in the job description attached hereto as Exhibit A. The General Manager shall be subject to the Norwich Code of Ethics. The Charter, the Municipal Laws, the Code of Ethics and the State Laws are sometimes hereafter collectively referred to as "Applicable Law". The General Manager shall be responsible to, and, serve at the pleasure of the Board of Commissioners of NPU, subject to the terms of this Agreement.

SECTION 3: COMPENSATION

- A. Base Salary: NPU agrees to pay EMPLOYEE an annual base salary of Two Hundred and Five Thousand, Five Hundred Dollars and no Cents (\$205,500.00) retroactive to July 1, 2019, which annual base salary shall remain in effect, subject to adjustment as provided for in subsection B below. All sums payable to EMPLOYEE shall be payable in installments in the same manner and upon the same schedule that all other NPU Department Heads are paid.
- B. NPU shall review EMPLOYEE'S performance in December of each calendar year, beginning in December 2019, using the performance evaluation criteria outlined in Section 11 of this Agreement. EMPLOYEE'S base salary shall be increased effective on the first business day in January following the December review once the Board has made its determination concerning any increase of salary.
- C. There shall also be an incentive compensation component to EMPLOYEE'S compensation. NPU and EMPLOYEE shall jointly develop and establish achievable and extraordinary strategic goals, along with a payout formula based on achievement of such goals, for the balance of 2019, and then in December of each calendar year for the following calendar year. Any incentive bonus earned for a calendar year shall be paid in a lump sum during the January immediately following the year in which it is earned.

SECTION 4: HEALTH, DISABILITY AND LIFE INSURANCE BENEFITS

- A. NPU agrees to provide the same comprehensive medical insurance, life insurance, and short and long term disability insurance coverage as are from time to time offered or provided to all NPU Department Heads, all upon the same terms and under the same conditions as such coverage is offered to the same. Notwithstanding any language to the contrary, NPU agrees to pay the full premium for all such coverages for EMPLOYEE and EMPLOYEE'S eligible dependents.
- B. EMPLOYEE acknowledges receipt and review of copies of the insurance coverages to be provided under subsection A, above.

SECTION 5: VACATION, SICK AND OTHER LEAVE

- A. EMPLOYEE shall be paid any compensatory time and sick leave accrued as of the Commencement Date in four (4) equal installments, with the first installment paid in December 2019, and the other three (3) installments paid in December 2020, December 2021, and December 2022. EMPLOYEE shall not accrue any additional compensatory time after June 30, 2019. In the event EMPLOYEE is terminated for any reason prior to all four (4) installments being paid, any portion of the accrued compensatory time and sick leave not already paid, shall be paid at the time of termination.
- B. Beginning on July 1, 2019, EMPLOYEE shall be entitled to accrue twelve (12) days annual sick leave (accrued at the rate of one (1) sick day per month) to a maximum of 120 days. Effective on the Commencement Date, EMPLOYEE shall be entitled to four (4) weeks of already accrued, but unused, 2019 vacation leave. Effective January 1, 2020, EMPLOYEE shall be entitled to

accrue six (6) weeks of vacation leave each calendar year (fully accrued at the start of each calendar year). Unused vacation leave can be accrued to a maximum of six (6) weeks, all in accordance with NPU's policies in effect for NPU's Department Heads. In the event EMPLOYEE takes less than 24 hours of sick leave time during a calendar year, he shall be paid one thousand dollars (\$1,000), minus lawful tax deductions, in a lump sum in the January following the end of such calendar year. EMPLOYEE shall also be entitled to accrue such other leave as NPU may from time to time offer to all NPU Department Heads on the same terms so offered.

- C. In the event EMPLOYEE's employment is terminated, for any reason, EMPLOYEE shall be entitled to any additional compensation for any accrued but unused sick leave and vacation leave in accordance with Paragraph 10, herein.
- D. EMPLOYEE shall be entitled to eleven (11) holidays per year, on the dates upon which all other NPU employees have holiday leave.

SECTION 6: VEHICLE ALLOWANCE

In addition to all other payments and compensation due to EMPLOYEE, NPU agrees to pay to EMPLOYEE a vehicle allowance of \$500 per month.

SECTION 7: RETIREMENT

A. In addition to EMPLOYEE's base annual salary and all other compensation and benefits payable to EMPLOYEE under this Agreement, EMPLOYEE shall be a member of the City of Norwich Employees' Retirement Fund and contribute Eight and one-half (8.5%) per cent of his annual base salary. EMPLOYEE shall also be a member of the City of Norwich Employee Section 457 Plan and NPU agrees to execute all necessary agreements with respect to Section 457 deferred compensation plan(s) for EMPLOYEE's participation in said supplementary retirement plan(s). The parties shall fully disclose to each other the financial impact of any amendment to the terms of EMPLOYEE's retirement benefit by way of such Section 457 plan(s), and/or changes in the City of Norwich Employees' Retirement Fund.

B. Following EMPLOYEE's termination for any reason on or after August 18, 2022 EMPLOYEE shall receive the insurance retirement benefits as described in the Council of the City of Norwich Ordinance No. 1350 entitled, "AN ORDINANCE GRANTING CERTAIN RETIREE MEDICAL INSURANCE BENEFITS TO NON-BARGAINING UNIT DEPARTMENT HEADS (attached as Exhibit B.)

SECTION 8: PROFESSIONAL SUPPORT AND GENERAL EXPENSES

- A. NPU agrees to pay for and/or to reimburse EMPLOYEE for such professional dues and subscriptions as are reasonable and necessary to be incurred by EMPLOYEE for continuation and full participation in such national, regional, state, and local associations and organizations as are necessary and desirable for EMPLOYEE's professional participation, growth, and advancement, and for the good of NPU.
- B. NPU also agrees to pay for and/or to reimburse EMPLOYEE for such costs of transportation, registration, subsistence and other related expenses as EMPLOYEE may reasonably incur for

professional development of EMPLOYEE and to pursue and attend necessary official functions for NPU in accordance with NPU's travel policies. The events to be paid for under this section shall include, but not be limited to events sponsored by national, regional, state, and local government utility groups and committees in which EMPLOYEE serves as a member, or representative of NPU.

- C. NPU also agrees to pay for and/or to reimburse EMPLOYEE for such tuition, travel registration, subsistence and other related expenses as EMPLOYEE may reasonably incur for short courses, institutes and seminars that are necessary for EMPLOYEE's professional knowledge and development and for the good of NPU in accordance with NPU's travel policies.
- D. NPU recognizes that certain other expenses not covered above are also likely to be reasonably incurred by EMPLOYEE in the course of his employment and agrees to reimburse or to pay said general expenses pursuant to such procedures as the parties may mutually agree upon.
- E. NPU acknowledges the value of having EMPLOYEE participate and be directly involved in local civic clubs or organizations. Accordingly, NPU also agrees to pay for or reimburse EMPLOYEE the reasonable membership fees and/or dues required to enable EMPLOYEE to become an active member in such local civic groups or organizations.
- F. NPU shall provide EMPLOYEE with a computer, software, fax/modem, cell phone, personal data assistant (PDA), emergency scanner and such other devices and equipment as may from time to time be reasonable required for EMPLOYEE to maintain communication and to perform as General Manager.

SECTION 9: TERMINATION

This Agreement may be terminated as follows:

- (a) At any time by mutual written consent of the Parties. In the event of termination pursuant to this subsection, EMPLOYEE shall be entitled to Severance as set forth in Section 10.
- (b) At any time by EMPLOYEE, for any reason, upon sixty (60) calendar days advance notice to NPU.
- (c) At any time by NPU by a notice of non-renewal for any reason provided to EMPLOYEE and, he shall be entitled to Severance as set forth in Section 10.
- (d) At any time by NPU for Cause, provided that EMPLOYEE shall receive written notice of the intention of the Board of Commissioners to remove him, containing a clear statement of the grounds for such removal and of the time and place, not less than ten (10) days after the date of notice, at which EMPLOYEE shall be given an opportunity to be heard thereon. After such hearing, which shall be public at the option of the general manager and at which

EMPLOYEE may be represented by counsel, the action of the Board of Commissioners by at least three (3) affirmative votes in public session shall be final. From the date of notice until final action EMPLOYEE shall be suspended with or without pay as the Board's notification shall provide. In the event of a Cause termination pursuant to this sub-section, which is resolved by a negotiated termination agreement, EMPLOYEE shall be entitled to Severance as set forth in Section 10.

(i) For purposes of this Agreement, "Cause" shall be defined as: dishonesty; conviction of a felony; illegal conduct related to performance of the job; gross negligence; willful misconduct; the habitual neglect of duties; or failure to consistently perform the duties and responsibilities of the General Manager's job description which negatively impacts NPU's business purposes, provided EMPLOYEE has first been advised of any such failure and given a reasonable period to cure any concerns, but fails to do so.

SECTION 10: SEVERANCE

In the event of a termination of EMPLOYEE pursuant to Section 9(a), Section 9(c), or Section 9(d) with a negotiated termination agreement entitling EMPLOYEE to severance, Employee shall receive the following compensation:

- (a) If pursuant to Section 9(a), EMPLOYEE's current salary pursuant to this Agreement and any addendum to the Agreement, for a period of six (6) months, plus continuation of all medical benefits for EMPLOYEE and EMPLOYEE's dependents for the same period for which salary is to be paid to EMPLOYEE. EMPLOYEE shall also be paid for any accrued, but unused sick leave and vacation leave.
- (b) If pursuant to Section 9(c), EMPLOYEE's current salary pursuant to this Agreement and any addendum to this Agreement, for a period of: six (6) months if notice of non-renewal occurs at least six (6) months prior to the expiration of the Initial Term or any Additional Term, or eight (8) months if notice of non-renewal occurs less than six months prior to the expiration of the Initial Term or any Additional Term; plus continuation of all medical benefits for EMPLOYEE and EMPLOYEE's dependents for the same period for which salary is to be paid to EMPLOYEE. EMPLOYEE shall also be paid for any accrued, but unused sick leave and vacation leave.
- (c) If pursuant to Section 9(d), Cause termination with a negotiated agreement, with any severance and benefit continuation as agreed by the parties. EMPLOYEE shall, however, be paid for any accrued, but unused sick leave and vacation leave.
- (d) If pursuant to Section 9(d), Cause termination, without a negotiated agreement, after notice of allegations and Loudermill meeting, there shall be no severance pay, and no further medical or insurance coverages paid by EMPLOYER, but EMPLOYEE shall be paid for any accrued, but unused sick leave and vacation leave.

The Assistant General Manager Step 4 position will remain vacant in the NPU organization chart through December 31, 2022 and any Additional Term, and EMPLOYEE shall be allowed to return to that position

at the same seniority he would have earned but for his appointment as General Manager, without any prejudice, if he is terminated under Sections 9 (a), (b), (c), or Section 9(d) for Cause, which is resolved by a negotiated termination agreement. In the event of a return to the Assistant General Manager Step 4 position under this provision, EMPLOYEE shall not be paid out any accrued, but unused sick leave and vacation leave he may have at that time, but shall instead retain and be able to use any such time following his transfer back to the Assistant General Manager Step 4 position.

SECTION 11: PERFORMANCE EVALUATION

A. EMPLOYEE shall receive a performance evaluation each December, beginning in December 2019. The metrics used to evaluate EMPLOYEE shall be: (1) effective leadership with the Board; (2) effective leadership with NPU staff; (3) effective leadership with the ratepayers and community; and (4) performance in meeting the requirements of the job description. Specific criteria to measure each metric shall be agreed to by EMPLOYEE and NPU for the balance of 2019 and then each December for the following calendar year. Each component shall be measured on a scale of 1-5 and be weighted 25%. The percentage and/or dollar amount of any salary increase shall be determined by the NPU Board of Commissioners in its sole discretion.

B. Subject to subsection C below, NPU and EMPLOYEE agree that, subject to the public disclosure requirement of applicable state and federal laws ("FOI"), no portion of any written evaluations shall be public information or shared in part or in whole with the public nor shall the same become part of EMPLOYEE's employment file as maintained by NPU except upon the mutual agreement of the parties. NPU represents that it has reasonably concluded that the evaluation procedure currently contemplated will allow it to retain such evaluation in confidence as herein agreed without violation of FOI and, provided the procedure as finalized and instituted will reasonably likewise comply. NPU will reasonably defend at the initial administrative hearing level any proceeding brought to compel disclosure. EMPLOYEE expressly acknowledges and agrees that the obligations of NPU hereunder shall terminate upon a contrary ruling by such administrative body or tribunal.

C. Subsection B of this Section 11 notwithstanding, either party may use or disclose such evaluations to the public or enter the same into evidence in any contested public proceeding, or in any lawsuit or administrative action brought upon or relating to this Agreement or relating to EMPLOYEE's employment with NPU. Upon such disclosure or use, or in the event such evaluations become public other than by improper action or failure to take action on the part of NPU, whether deliberate or negligent, Section 11B shall become null, void and of no further effect unless otherwise agreed in writing by the parties.

SECTION 12: HOURS OF WORK

It is recognized that EMPLOYEE must devote substantial time outside the normal office hours on business for NPU, and to that end EMPLOYEE shall be allowed to establish for himself an appropriate work schedule. The position of General Manager is exempt from any overtime and/or premium pay and, shall not receive or be entitled to receive any terms of NPU's union contracts. Despite any language to the contrary, EMPLOYEE shall be paid as follows during a Utility Emergency declared by the Governor of Connecticut or one that is FEMA reimbursed, or when work is performed to assist another utility under a storm mutual aid pact: time and one-half for all hours worked, except that double time

shall be paid for all work performed on a Sunday, or beyond 16 hours in a day. Double time, once paid, shall continue to be paid until EMPLOYEE obtains 8 hours of continuous rest.

SECTION 13: INDEMNIFICATION

NPU shall defend, save harmless and indemnify EMPLOYEE against any tort, liability claim, damages claim, or other such legal or administrative action arising out of any alleged act or omission occurring in the performance of EMPLOYEE's duties for NPU to the extent provided to all NPU Department Heads and/or as required by Applicable Law. NPU, in its sole discretion, and without consent of EMPLOYEE, shall retain the right to compromise and settle any such claim or action, or may elect to defend against such claim or action and proceed to judgment, but shall hold EMPLOYEE harmless and indemnify EMPLOYEE from any such compromises, settlement or judgment.

SECTION 14: NOTICES

In addition to any different notice required pursuant to the Charter or Municipal Law, the notices required under this Agreement shall be given by depositing in the custody of the United States Postal Service, postage prepaid. The date of delivery to the USPS shall be deemed the date of the notice, as follows:

- A. NPU: Norwich Public Utilities Commission, 16 S. Golden Street, Norwich, CT 06360
- B. EMPLOYEE: 100 Morgan Road, Salem, CT 06420

SECTION 15: GENERAL PROVISIONS

- A. Integration. This Agreement sets forth and establishes the entire understanding between NPU and EMPLOYEE relating to the employment of EMPLOYEE by NPU. Any prior discussions or representations by or between the parties are merged into, and otherwise rendered null and void, by this Agreement. The parties may, by a mutual written agreement signed by both parties, amend any provision of this Agreement during its term. However, no oral agreement or course of conduct shall be effective to amend its terms, nor shall it create a ratification of the oral agreement and/or course of conduct nor constitute a waiver of any terms of this Agreement.
- B. Binding Effect. Upon execution by EMPLOYEE AND NPU, this Agreement shall be binding on NPU and EMPLOYEE as well as their heirs, assigns, executors, personal representatives and successors in interest.
- C. Severability. The invalidity or partial invalidity of any portion of this Agreement will not affect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they have been executed by both parties subsequent to the expungement or judicial modification of the invalid provision.
- D. EMPLOYEE may not assign this Agreement in whole or in part.

- E. No Waiver, No Ratification Defense. Any failure by NPU or EMPLOYEE to insist on the strict performance by the other party of any of the provisions and/or terms of this Agreement will not be deemed to be a waiver of, and/or compliance with, any of the provisions and/or terms herein. Notwithstanding any such failure, NPU or EMPLOYEE will have the right, thereafter, and with written notice to the other party, to insist on strict performance of all the provisions and/or terms herein. Any failure by NPU or EMPLOYEE shall not give rise to a claim of ratification by either party as to actions, taken or not taken.
- F. This Agreement shall be interpreted and shall be governed by the laws of the State of Connecticut.
- G. All matters concerning the offering of this Agreement, including but not limited to, the Agreement, modifications and/or amendments, compensation and benefits, performance evaluations, and allowances and business and professional expenses must be approved by the Board of Commissioners with at least three affirmative votes in public session.
- H. A copy of the Certification of Charter Compliance signed by the City Attorney is attached hereto as Exhibit C.

IN WITNESS HEREOF, the parties hereto, after due consideration, have duly executed and delivered this Agreement of their own free act and deed on the date herein indicated.

EMPLOYEE:



Christopher LaRose

7/23/19

Date

NORWICH PUBLIC UTILITIES:



Robert Staley, Chairman

Norwich Public Utilities Commission

7/23/19

Date

EXHIBIT A

JOB DESCRIPTION

GENERAL MANAGER

Primary Functions:

Reporting directly to the City of Norwich Board of Public Utilities' Commissioners (Commissioners), and the Sewer Authority of the City of Norwich (Sewer Authority), leads and is responsible for all operations of the City of Norwich Public Utilities (NPU) and the Sewer Authority, which include the Customer Service, Electric, Gas, Water, Sewer, Administration, Engineering, and Business Development Divisions; including all Human Resources functions in conjunction with the City of Norwich Director of Personnel.

Essential Job Functions and Responsibilities:

- Strongly advocates for the customers and taxpayers/owners of the NPU, within and outside the City of Norwich.
- Assures efficient and reliable gas, electric, water, and sewer system services for current and future needs.
- Consistently provides necessary and/or requested information to the Commissioners and Sewer Authority.
- Leads the development of proposed NPU and Sewer Authority policies for review and approval by the Commissioners and Sewer Authority. Leads the implementation of adopted policies.
- Leads the development, updating, and monitoring of the NPU's 5-year and 2-year plans, and the annual budget.
- Sets performance expectations, and leads the performance of all Division Managers and the Personnel Coordinator.
- Assures efficient, quality NPU organization, staffing, and training.
- Coordinates and promotes Economic Development and Job Creation Programs for NPU, and participates in local, regional, and statewide Economic Development Organizations and Programs.
- Leads the development and refinement of the NPU's and Sewer Authority's services and products.
- Provides the point of contact for the development of the Commissioners' and Sewer Authority's Agenda material.
- At the direction of the Chairman of the Board of Public Utilities' Commissioners, sets dates and agendas for Regular and Special Meetings.
- Leads compliance of the NPU's facilities, policies, and programs with applicable regulations and laws.
- Provides for ongoing, cooperative, and productive liaison with the Norwich City Council and City Administration; State and Federal Regulatory Agencies; and State and Federal Legislators.
- Leads both customer and public relations.
- Provides for the operations of the NPU and Sewer Authority on a sound financial basis.
- Serves as the Commissioners and NPU's liaison with the Connecticut Municipal Electric Energy Cooperative (CMMEC).

- Acts as the representative of the Commission and Sewer Authority in all labor related matters.
- Participates as the Commissioners' and Sewer Authority's representative in all applicable local, regional, and state-wide economic and civic agencies, committees, and activities.
- Performs all other duties as required and authorized by the City of Norwich Board of Public Utilities' Commissioners and the Sewer Authority of the City of Norwich.

Knowledge, Skills, and Abilities:

Strong commitment to customer focuses, employee excellence, and community service.

Knowledge of utility finances and accounting procedures.

Knowledge of the technical aspects of NPU's operations.

Knowledge of Municipal labor relation issues and procedures.

Excellent verbal and written communication skills.

Ability to act as the NPU contact and spokesperson with the media and officials.

Ability to operate with a management style that is collaborative, team building, and uses employee involvement practices extensively.

Demonstrates management abilities in leading and motivating employees, as well as the ability to plan, organize, and direct a multi-faceted organization.

Ability to make public presentations in a professional manner, and to establish credibility with customers, employees, and public officials.

Ability to lead NPU in achieving its mission and goals.

Knowledge of both personal and mainframe computer system operations.

Ability to use a PC proficiently.

Knowledge of Accounting procedures and policies.

Minimum Qualifications – Education and Experience:

Minimum ten (10) years of progressive experience in a senior management position in the utility or related industry.

Experience with technical, financial, administrative, business development and customer service in the utility industry.

Bachelor of Arts or Bachelor of Science Degree in Engineering, Business Administration, Public Administration, or related field is required.

Master's Degree in Engineering, Business Administration, Public Administration, or related field is desired.

Physical Demands:

Sit at a desk or in meetings for extended periods of time.

Operate a computer terminal or mainframe monitor.

Must possess a valid Connecticut Drivers' License.

EXHIBIT B

ORDINANCE NO. 1350-"AN ORDINANCE GRANTING CERTAIN RETIREE MEDICAL INSURANCE BENEFITS TO NON-BARGAINING UNIT DEPARTMENT HEADS."

ORD NO	1350
ADOPTED	1-21-97
PUBLISHED	1-24-97

AN ORDINANCE GRANTING CERTAIN RETIREE MEDICAL INSURANCE
BENEFITS TO NON-BARGAINING UNIT DEPARTMENT HEADS

BE IT ORDAINED by the Council for the City of Norwich:

That for non-bargaining unit Department Heads who have been employed by the City of Norwich for twenty-five (25) years or more, including military time, and who retire on or after January 1, 1997, in accordance with the City of Norwich Employees Retirement Fund Pension Plan, the City of Norwich shall pay the full costs of medical insurance, dental insurance and major medical insurance premiums for such retiree and fifty (50%) percent of such premiums for the retiree's spouse. After age 65, the City shall pay the full cost for such retiree and fifty (50%) percent of spouse's Medicare supplement, over 65 major medical and dental insurance premiums.

In addition, the City of Norwich shall provide and pay for the entire cost of a paid-up Twenty Thousand (\$20,000.00) dollar life insurance policy for such retiree.

William G. Tallman
City Manager


FILED
CITY CLERK
JAN 24 1997
CITY OF NORWICH

EXHIBIT C

CERTIFICATION OF CHARTER COMPLIANCE BY NORWICH CITY ATTORNEY

I have reviewed the foregoing employment agreement between the NORWICH PUBLIC UTILITIES AND CHRISTOPHER LAROSE, and it is in compliance with the City of Norwich Charter.

Dated at Norwich, CT July 22, 2019



Michael Driscoll
Norwich City Attorney